

Table of Contents CT 11-021

1. Table of Contents
2. Approval letter
3. Approved 179
4. Approved SPA pages

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
JFK Federal Building, Government Center  
Room 2275  
Boston, Massachusetts 02203



**Division of Medicaid and Children's Health Operations / Boston Regional Office**

August 8, 2012

Roderick Bremby, Commissioner  
Department of Social Services  
25 Sigourney Street  
Hartford, Connecticut 06106

Dear Mr. Bremby:

On June 21, 2012, our Central Office sent you a letter approving your proposed State Plan amendment (SPA) No. 11-021. This letter transmits the Transmittal and Notice of Approval State Plan Material (CMS-179) and the approved State Plan pages.

SPA 11-021 proposed to reduce the State's estimated acquisition cost (EAC) from average wholesale price (AWP) minus 14 percent to AWP minus 16 percent and the professional dispensing fee from \$2.90 to \$2.00. In addition, the State proposed to reduce the maximum allowable cost for selected multi-source brand and generic drugs meeting the criteria specified in the State plan from AWP minus 50 percent to AWP minus 72 percent with specified exceptions and to reduce the dispensing fee from \$2.90 to \$2.00. This SPA has been approved effective July 1st, 2011, as requested by the State.

Changes are reflected in the following sections of your approved State Plan:

- Attachment 4.19B, Page 2
- Supplement 1 to Attachment 4.9B, page 2

If you have any questions regarding this matter you may contact Marie Montemagno (617) 565-9157 or by e-mail at [Marie.Montemagno@cms.hss.gov](mailto:Marie.Montemagno@cms.hss.gov)

Sincerely,

/s/

Richard R. McGreal  
Associate Regional Administrator

cc: Mark Schaefer, Director, Medical Care Administration

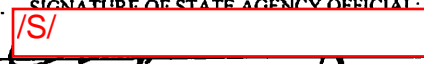
<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b>	1. TRANSMITTAL NUMBER: 11-021	2 STATE, CT
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE 7/01/2011	
5. TYPE OF STATE PLAN MATERIAL. (Check One):  <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT		

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION: Section 1927 of the Social Security Act; 42 CFR 447.518 447.502, 447.512	7. FEDERAL BUDGET IMPACT:      a. FFY 2011: 7.46 Million (savings)  b. FFY 2012: 30.01 Million (savings)
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  Attachment 4.19B, page 2 <b>Supplement 1 to Attachment 4.19B, page 2</b>	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If applicable)  Attachment 4.19B, page 2

SUBJECT OF AMENDMENT: Reduce the State's acquisition cost (EAC) from average wholesale price (AWP) minus 14% to AWP minus 16% and the professional dispensing fee from \$2.90 to \$2.00. Also proposing to reduce the maximum allowable cost for selected multi-source brand and generic drugs meeting the criteria specified in the State plan from AWP minus 50% to AWP minus 72% with specified exceptions and to reduce the dispensing fee from \$2.90 to @2.00

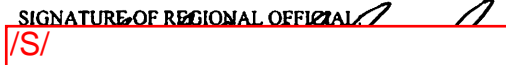
11. GOVERNOR'S REVIEW (Check One):  
 GOVERNOR'S OFFICE REPORTED NO COMMENT       OTHER, AS SPECIFIED  
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED      Comments, if any, to follow  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL: 	16. RETURN TO:  State of Connecticut Department of Social Services 25 Sigourney Street Hartford, CT 06106-5033 Attention: Ginny Mahoney
13. TYPED NAME: Roderick L. Brennan	
14. TITLE: Commissioner, Department of Social Services	
15. DATE SUBMITTED: September 30, 2011	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: September 30, 2011	18. DATE APPROVED: 6/21/12
---------------------------------------	----------------------------

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: 07/01/2011	20. SIGNATURE OF REGIONAL OFFICIAL: 
21. TYPED NAME: Richard R. McGreal	22. TITLE: Associate Regional Administrator

23. REMARKS: Division of Medicaid & Children's Health Operations  
 Pen and Ink change approved in 3/26/12 RAI response to Box 6 adding 447.502, 447.512  
 Pen and Ink change per State approval 03/26/12: Box 7- Federal budget impact FFY 2012: 59.95 million savings and FFY 2013: 61 million savings was changed to reflect FFY 2011: 7.46 million savings and FFY 2012 30.01 million savings.

Pen and Ink change per state approval on 06/21/12 to Box 8 adding Supplement 1 to Attachment 4.19B, page 2

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
STATE CONNECTICUT

---

## (b) Prosthetic devices

Except as otherwise noted in the plan, payment for these services is based on state-developed fee schedule rates, which are the same for both governmental and private providers of prosthetic devices. The agency's rates were set as of 2/1/2010 and are effective for services rendered on or after that date. The fee schedule is subject to periodic adjustment. All rates are published on the agency's website at [www.ctdssmap.com](http://www.ctdssmap.com).

## (c) Eyeglasses

Except as otherwise noted in the plan, payment for these services is based on state-developed fee schedule rates, which are the same for both governmental and private providers of eyeglasses. The agency's rates were set as of 7/1/2008 and are effective for services rendered on or after that date. The fee schedule is subject to periodic adjustment. All rates are published on the agency's website at [www.ctdssmap.com](http://www.ctdssmap.com).

## (d) Hearing aid – The price allowed shall be the cost of the hearing aid to the provider, not to exceed \$160.00.

---

TN# 11-021

Supersedes

TN # NEWApproval Date 6/21/12Effective Date 7-1-2011

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
STATE CONNECTICUT

## (a) Prescribed Drugs

1. With the exception of (a)2 and (a)3 below the cost of drugs is determined by the drug product allowance established by the Federal Upper Limit plus a professional Dispensing Fee of \$2.00; The State's estimated acquisition cost (E.A.C.) which is AWP –16% plus the professional Dispensing Fee; or the usual and customary charge to the general public, whichever is lower.
2. The maximum allowable cost paid for selected multi-source brand and generic drugs meeting the following criteria shall be the Average Wholesale Price (AWP) minus 72% plus the professional Dispensing Fee:
  - at least two suppliers of the generic product are available,
  - drug is not on the Federal Upper Limit (FUL) list, and
  - all dosage forms (including tablets, capsules, eye drops, inhalers, topicals and liquids).
  - The Department uses a MAC Pricing Inquiry Worksheet for drugs on the MAC list. This worksheet allows providers to document difficulty in obtaining a specific drug for the MAC price set in this section. The MAC Pricing Inquiry Worksheet requires the provider to submit certain information to the Department, including the actual purchase invoice for the drug. If the information submitted demonstrates a provider's inability to purchase a drug for the MAC price, the Department removes the drug from the MAC list and the price for that drug is based on the EAC, as described in (a)(1), above
3. The maximum allowable cost paid for Factor VIII (Factorate, Antihemophilic Factor, AHF) pharmaceuticals shall be the Actual Acquisition Cost (AAC) plus eight per cent.

TN# 11-021  
Supersedes  
TN # 10-018

Approval Date 6/21/12

Effective Date 7-1-2011